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- Kampf auf vorgeschobenem Posten.* (Hamburg: Carl Hoym Nachf. 1921. Pp. 85. 4 M.)
- DE LEON, D. *La reconstrucción socialista de la sociedad (el voto industrial).* (New York: El Partido Socialista Obrero. 1922. Pp. 75.)
- DELL, R. *Socialism and personal liberty.* (New York: Thomas Seltzer. 1922. Pp. 160. \$1.75.)
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- HOPKINS, O. T. *Working expenses in retail distributive coöperative societies.* (Manchester: Co-operative Union. 1921. Pp. 38. 1s. 6d.)
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- STURT, H. *Socialism and character.* (London: Allen & Unwin. 1922. Pp. 214. 7s. 6d.)
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- Coöperation; a selected bibliography.* Bull. no. 48. (New York: Russell Sage Foundation. 1921. Pp. 4.)
- Coöperative congress 1919 and 1920. The fifty-first and the fifty-second annual congress.* (London: Co-operative Union. 1921. Pp. xl, 814; xl, 824.)

### Statistics and Its Methods

*Wealth and Taxable Capacity.* By SIR JOSIAH STAMP. (London: P. S. King & Son. 1922. Pp. 195. 10s 6d.)

In a manner both scientific and readable this collection of lectures analyzes the recent wealth and income statistics of the United Kingdom. Dr. Stamp's evident familiarity with the available data is re-

vealed so clearly that the reader is at once given confidence in the conclusions reached.

The discussion of the value of the national wealth points out simply and clearly the different definitions which may be applied to this concept and the wide discrepancies in the results obtained by following these various definitions. In only one respect does Dr. Stamp's analysis appear to be materially incomplete. He fails to show that the value attached to the tangible wealth, since it is necessarily derived from the interaction of subjective estimates, is wholly psychological; and hence may change greatly with waves of optimism or pessimism, even though no change occurs in the stock of physical goods on hand. While the device of multiplying income by some constant factor is a most useful method of obtaining a first approximation to a total of physical wealth, the fact should be more clearly brought out that this procedure gives a result which is likely to differ much from the current value placed upon the total existing stock of goods.

The picturing of the annual national income as a great heap of goods against which individual income recipients are constantly being given claim checks is a very forceful way of presenting to the public a much misunderstood phenomenon. The difficult question of dealing with interest on loans for consumption purposes is less adroitly handled. The author apparently overlooks the fact that the borrower, by obtaining goods when he wishes them, may thereby gain an additional service equalling in value the interest that he pays. Is it not reasonable to include the value of this additional service in the total of the national income? In his discussion of tax payments Dr. Stamp nowhere touches upon what seems to be the crux of the whole matter: namely, the fact that the government gives in return for taxes two kinds of services; assistance to business and direct consumption goods. Evidently, the tax bill covering the first class of services is deductible from the total of individual incomes; while taxes going to buy direct enjoyment, as for example the use of city water or parks, are no more deductible than are payments for groceries or theatre tickets. He also seems to overlook the fact that the victory over Germany was largely a service of the latter class.

In enumerating various methods of measuring the national income, the author does not mention that one which is perhaps the easiest: namely, that of ascertaining the total payments by industries to individuals made in such forms as wages, salaries, rents, interest, dividends, etc.

The recent studies made by Mr. Frederick Macaulay seem to indicate that Pareto's so-called law is entitled to somewhat less confidence than that given to it by Dr. Stamp, even though it doubtless has distinct merit as a means of detecting gross errors.

The conclusion reached that the slope of the curve representing distribution of income has remained much the same for 120 years is one of the most interesting things in the book. It is distinctly in harmony with the evidence previously cited by the present reviewer of the general tendency of the distribution of wealth to be very similar at widely separated times and in different countries. Is there, then, a "natural law" of distribution of wealth and income based upon the distribution of human ability? Another conclusion of importance is that the net savings of the British people tend to be about one sixth of their total income. This fraction corresponds very closely to a recent estimate for the United States made by the present reviewer.

The analysis of the forces affecting the taxable capacity of a nation is one of the chief contributions of the book and is well worthy of the attention both of economists and of students of public finance, as is also the chapter on "The effect of changing price levels upon profits and wages." This last section would be strengthened slightly were the fact brought out that wholesale prices are affected largely by optimism and pessimism concerning the business outlook as well as by changes in the quantity of the medium of exchange.

On the whole, this book, whether considered from the theoretical point of view or merely in respect to the statistics pertaining to the United Kingdom, is entitled to rank with the best of works dealing with wealth and income and their relation to taxation.

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#### NEW BOOKS

BODDINGTON, A. L. *Statistics and their application to commerce.* (London: H. Foulks Lynch & Co. 1921. Pp. xv, 220.)

DAVIES, G. R. *Introduction to economic statistics.* (New York: Century Co. 1922. Pp. vi, 163.)

This latest addition to the rapidly increasing number of elementary texts on statistical method is written to meet the demand of those who desire to teach the subject in conjunction with economic problems and to have text and laboratory exercises combined in one volume. For the teacher who is compelled to give a hasty review of statistics in a single semester, with only a meager amount of time available for laboratory work, such a text has distinct advantages and this type of demand is so common that the book will doubtless serve a large constituency.

The amount of space devoted to the study of abstract basic principles has been reduced to a minimum and the student is introduced almost at once to the field of practical problems. As a rule, these are well set forth, though in some instances clarity has been sacrificed to brevity. That important subject, the correct method of constructing table forms, has been passed over very lightly and the student is soon introduced to frequency tables and averages. The bulk of the work is devoted to the treatment of historical data, much space being given to index numbers of